

**Testimony of Lorrar S.C. Brown  
On Behalf of the Michigan Advocacy Project (MAP)  
and the Michigan state Bar Consumer Law Section**

**House Committee on Banking and Financial Services  
Hearing on Predatory Lending Practices**

Good morning Chairman Coulouris and members of the House Committee on Banking and Financial Services. Thank you for the opportunity to testify today about predatory subprime lending practices and steps this legislature can take to stem the foreclosure crisis in Michigan. My name is Lorrar Brown. I am the immediate past chair of the State Bar Consumer Law Section. I am also the consumer law attorney at Michigan Poverty Law Program. I am here today on behalf of the State Bar Consumer Law Section and Michigan Advocacy Project. The Michigan Advocacy Project (MAP) is a joint project between the Michigan League for Human Services (MLHS) and the Michigan Poverty Law Program (MPLP). MAP advocates on behalf of the state's low-income population on issues in the areas of low-income housing, family law, consumer protections, and issues affecting the elderly.

Michigan Poverty Law Program is the statewide back-up center for legal services programs. As the consumer law attorney at MPLP, I provide research support, training support, litigation support to legal services offices statewide, and engage in legislative and administrative advocacy. In providing support to legal services attorneys throughout the state, I regularly review mortgage loans and consult with legal services attorneys on subprime lending cases.

We are faced with a foreclosure crisis. The rate of homes entering foreclosure rose sharply in 2006 and continued its rise to record breaking levels in 2007. For example, in July 2007, Michigan ranked the third highest in the nation in the number of foreclosures, with one foreclosure filing for every 320 households.<sup>1</sup> Comparatively, the nation's rate during the same period of time was one foreclosure for every 693 households.<sup>2</sup> For Michigan, this meant a total of 13,979 filings were in some stage of foreclosure.<sup>3</sup> This number was a 39% increase over the state's foreclosures in June 2007 and a 130% increase over July 2006.<sup>4</sup>

Loans made by the subprime lending industry have been universally recognized as a significant contributor to the foreclosure crisis.<sup>5</sup> Research shows that over 30% of the loans

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<sup>1</sup> Brinkmann, Jay, Mortgage Bankers Association, "Mortgage Delinquencies." Available at [www.mortgagebankers.org/files/CREF/docs/2007/managingriskexposureandoptionlimitingloss-JayBrinkmann,PhD.pdf](http://www.mortgagebankers.org/files/CREF/docs/2007/managingriskexposureandoptionlimitingloss-JayBrinkmann,PhD.pdf).

<sup>2</sup> "Foreclosure Activity Increases 9 Percent in July According to RealtyTrac U.S. Foreclosure Market Report." Available at [www.prnewswire.com/cgi-bin/stories.pl?ACCT=104&STORY=/www/story/08-21-2007/0004648722&EDATE](http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=104&STORY=/www/story/08-21-2007/0004648722&EDATE)

<sup>3</sup> *The Detroit News*. "Michigan foreclosure ranks 3<sup>rd</sup> in nation" August 21, 2007. Available at [www.detroitnews.com/apps/pbcs.dll/article?AID=?/20070821/UPDATE/708210404](http://www.detroitnews.com/apps/pbcs.dll/article?AID=?/20070821/UPDATE/708210404)

<sup>4</sup> *Id.*

<sup>5</sup> See, e.g., Sen. Charles E. Schumer, Chairman, Special Report by the Joint Economic Committee, *Sheltering Neighborhoods from the Subprime Foreclosure Storm*; Ellen Schloemer, Wei Li, Keith Ernst, and Kathleen Keest, *Losing Ground: Foreclosures in the Subprime Market and Their Cost to Homeowners*, Center for Responsible Lending (December 2006).

made in Michigan last year were subprime, which is a big percentage.<sup>6</sup> Nationally, subprime makes up about 20% of the market. What this means for Michigan is that Michigan has a much wider exposure to subprime problems than other states.

Unfortunately, the current crisis comes as no surprise to the consumer advocates who have been working in this field. We have listened to the stories and reviewed the loan documents of thousands of homeowners who have been sold loans they don't understand and are against their financial interests. It is incredibly sad when a legal services attorney has to tell a homeowner that she is in an irreversible predatory loan and that she is going to lose her home. Legal services attorneys have listened to the strikingly similar and incredibly painful stories from homeowners who trusted what their broker told them, trusted their lender would not give them a loan they could not afford and trusted that the government would protect them against abusive lending practices.

We have handled cases in which homeowners are steered into bad loans such as a three-year loan in the amount of \$76,000 with a balloon payment for \$74,000 at the end of three years; and homeowners who are steered into adjustable rate mortgages with fixed interest rates for two years and a variable rate for the remaining twenty-eight years and cannot afford the loan even before the rate reset. And throughout these transactions, the homeowners have consistently expressed concerns about the terms of the loans and that they did not want those terms but they were repeatedly reassured by mortgage brokers and lenders that they could refinance in a few months.

Any legislation to address the predatory subprime lending must: 1) impose a fiduciary duty on mortgage brokers, 2) eliminate incentives for lenders to steer borrowers to abusive loans; 3) impose a suitability standard which includes an assessment of the borrower's ability to repay, and 4) ensure effective rights and remedies for families caught in predatory loans.

### **Impose a Fiduciary Duty on Mortgage Brokers/Eliminate Incentives**

Subprime lenders often use mortgage brokers as their sales force. Mortgage brokers are independent third parties who are paid by the borrower through the loan proceeds. Their compensation is based on a percentage of the total loan amount giving them every incentive to get the borrower to take out the biggest loan based on the highest value of the home, rather than based on the needs of the borrower. Brokers may also receive, unbeknown to the borrower, what is called a "yield spread premium", a commission paid directly to the broker by the bank if they are able to sell the homeowner a loan with a higher interest rate than the borrower's credit score warrants. Mortgage brokers currently have no duty to act in the best interest of the borrower, nor do they have any legal duty to the subprime lender to arrange a loan that the borrower can afford. And lenders provide little to no oversight of brokers. Thus, borrowers are routinely sold loans with different terms hidden in the documents than were represented to them by their broker or loan officer.

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<sup>6</sup> See attached MI Subprime Lending By MSA 2006

## **Mortgage lenders and brokers should assess the borrower's ability to repay the loan**

*Why would a lender make a loan that the borrower cannot afford?"* This question is partially answered above – because subprime loans are typically arranged by mortgage brokers who are paid on commission and have no duty to anyone. The second part of the answer involves Wall Street and investors. The subprime market exploded in the mid-1990's as a direct result of a huge influx of investment money by major banks and Wall Street. Investors figured out that by pooling subprime loans with prime, substantially performing loans, they could sell these pools of loans into asset-backed security trusts for investors, such as mutual funds and other investment funds. If a mortgagee holds onto its loans, made loans that a high percentage of loans defaulted on, it would lose money and its stock would decline – not a sustainable strategy.

But because subprime loans are immediately sold into a trust on the secondary market, Wall Street, the originating lender, who makes its money on upfront fees and costs in the loan, isn't around to take the hit of a foreclosure. Oftentimes, the originating lender isn't even lending the loan money but rather it makes loans with the money of what is called a "warehouse lender". And the trust that ultimately owns the loan contains enough performing loans that the loss experienced by a small percentage of foreclosures is not felt – except by the homeowner at risk of default and foreclosure.

It is a system that has not only secured itself from internal financial risk, but has insured itself from liability. The players left at the end of the securitization process include the trust that owns the loan, the servicer who is responsible for collecting payments, and the borrower who is left with no idea who actually owns their loan and believes their lender to be the servicer to whom they send their payments. A daunting task for lawyers when a homeowner comes to them with a predatory loan often is to find out what entity actually owns the loan. The second greatest hurdle for lawyers is to hold a lender liable. The trust owning the loan is often exonerated from liability because they are not the originating lender, and the originating lender against whom there may be claims no longer has anything to do with the loan and thus, cannot effectuate a rescission – the strongest remedy for consumers provided under federal law. Being able to hold investors responsible, who have all the information to know the underwriting practices of the lenders, is a necessary mandate. An equally difficult task for housing counselors working on behalf of borrowers to get loan workouts is being confined to working with the servicers of loans who are beholden to the requirements of the investors and claim they aren't allowed to provide workouts even if they make sense for both parties.

Trying to make loans that are suitable for the borrowers' needs requires that brokers and lenders screen and that a borrower has the ability to repay the home loan. Regulators must restore prudent underwriting practices by requiring lenders and brokers to make a basic analysis of whether the borrower can actually afford the loan, including any increases allowed by an adjustable rate clause.

*Basic rights and remedies.* Victims of abusive lending practices have very little recourse because industry often uses its market power to limit homeowners' access to justice. To be

MI SUBPRIME LENDING BY MSA 2006						
SOURCE: 2006 HMDA						
NOTE: Loan amounts reported in thousands of dollars.						
		All Loans	Loan Amount	Subprime Loans	Loan Amount	% Subprime
MI Totals		413,289	49,559,508	131,305	13,118,136	31.8%
MSA Code	MSA Name	All Loans	Loan Amount	Subprime Loans	Loan Amount	% Subprime
11460	Ann Arbor	13,379	2,243,609	2,652	367,765	19.8%
12980	Battle Creek	5,485	507,402	1,929	151,905	35.2%
13020	Bay City	4,337	336,493	1,084	83,408	25.0%
19804	Detroit-Livonia-Dearborn	80,500	8,350,697	38,682	3,397,653	48.1%
22420	Flint	18,038	1,799,764	6,565	565,871	36.4%
24340	Grand Rapids-Wyoming	33,173	3,635,015	9,420	901,578	28.4%
26100	Holland-Grand Haven	10,226	1,269,733	1,934	209,132	18.9%
27100	Jackson	7,389	720,514	2,496	227,818	33.8%
28020	Kalamazoo-Portage	12,628	1,428,868	3,460	315,223	27.4%
29620	Lansing-East Lansing	20,079	2,213,018	5,954	592,394	29.7%
33780	Monroe	6,356	736,326	1,620	176,899	25.5%
34740	Muskegon-Norton Shores	7,020	614,519	2,457	184,992	35.0%
35660	Niles-Benton Harbor	6,897	940,792	1,903	184,921	27.6%
40980	Saginaw-Saginaw Township North	6,848	558,954	2,002	147,803	29.2%
43780	South Bend-Mishawaka	2,054	244,195	585	56,041	28.5%
47644	Warren-Farmington Hills-Troy	115,796	17,246,765	30,129	3,915,596	26.0%
NA	Non MSA	63,084	6,712,844	18,433	1,639,137	29.2%

**SOURCE: 2006 HMDA**

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**MI SUBPRIME LENDERS 2006**

SOURCE: 2006 HMDA

NOTE: Loan amounts reported in thousands of dollars.

Lender Name	Subprime Loans	Loan Amount
NATIONAL CITY BANK	7,762	839,429
COUNTRYWIDE HOME LOANS	7,825	830,534
OPTION ONE MORTGAGE CORP	5,273	620,198
NEW CENTURY MORTGAGE CORPORATI	4,863	500,489
QUICKEN LOANS	5,683	411,696
WELLS FARGO BANK, NA	3,316	339,618
ARGENT MORTGAGE COMPANY	2,940	312,316
PEOPLE'S CHOICE FINANCIAL CORP	2,629	309,196
HOMECOMING FINANCIAL NETWORK	3,262	302,754
NOVASTAR MORTGAGE, INC.	2,652	291,262
LONG BEACH MORTGAGE CO.	2,933	290,258
BNC MORTGAGE	2,585	278,644
FREMONT INVESTMENT & LOAN	2,322	267,283
AMERICAN HOME MORTGAGE CORP.	1,945	240,487
CHASE MANHATTAN BANK USA, NA	2,181	236,349
ACCREDITED HOME LENDERS, INC	1,564	209,367
EQUIFIRST CORPORATION	1,640	191,890
DECISION ONE MORTGAGE	1,644	176,420
HFC COMPANY LLC	2,373	165,405
FLAGSTAR BANK	1,576	162,848
INVESTAID CORPORATION	2,281	158,209
INDYMAC BANK, F.S.B.	1,272	152,698
INTERVALE MORTGAGE	1,407	151,470
OAK STREET MORTGAGE	1,356	147,375
WILMINGTON FINANCE, INC.	1,195	144,177
AMERIQUEST MORTGAGE COMPANY	1,135	141,360
COUNTRYWIDE BANK, N.A.	1,190	136,483
FMF CAPITAL LLC	1,288	132,316
WELLS FARGO FIN'L AMERICA, INC	856	115,376
CITIFINANCIAL, INC.	1,941	112,413
CITIFINANCIAL MTG CO, INC	905	109,744
MILA, INC	1,109	104,064
GREENPOINT MORTGAGE FUNDING	1,060	102,108
RESMAE MORTGAGE CORPORATION	893	97,168
FIRST MAGNUS FINANCIAL CORP	1,070	96,359
THE CIT GROUP/CONSUMER FINANCE	1,078	92,563
THE HUNTINGTON NATIONAL BANK	815	91,900
PATHWAY FINANCIAL,LLC	878	91,139
MORTGAGEIT	787	86,716
HOME123 CORPORATION	759	86,328
JPMORGAN CHASE BANK	1,327	84,539
WMC MORTGAGE COMPANY	782	81,781
WASHINGTON MUTUAL BANK	480	80,844
FIFTH THIRD MORTGAGE, MI LLC	496	73,681
BENEFICIAL COMPANY LLC	1,050	70,048
SOUTHSTAR FUNDING, LLC	713	68,392
SUNTRUST MORTGAGE, INC	808	61,057

SHORE MORTGAGE	601	59,623
LEHMAN BROTHERS BANK	627	59,149
CITICORP TRUST BANK, FSB	616	58,130
OHIO SAVINGS BANK	549	57,758
REPUBLIC BANK	666	56,524
EQUITY ONE, INC.	434	55,543
HAMILTON MORTGAGE COMPANY	426	53,968
FIRST NATIONAL BANK OF ARIZONA	549	51,836
FIRST NLC FINANCIAL SERVICES,	494	51,679
CITIMORTGAGE, INC	405	51,303
AEGIS FUNDING CORPORATION	596	48,891
DELTA FUNDING CORPORATION	520	47,909
FIRST HORIZON HOME LOAN CORP	537	44,563
FIELDSTONE MORTGAGE COMPANY	375	44,063
TRANEX FINANCIAL INC.	147	43,705
SEBRING CAPITAL PARTNERS, LP	460	43,568
MERITAGE MORTGAGE CORPORATION	401	43,484
US BANK NORTH DAKOTA	346	42,492
NATIONSTAR MORTGAGE LLC	375	40,727
M&I BANK FSB	331	40,512
LIME FINANCIAL SERVICES, LTD.	334	40,426
AEGIS WHOLESALE CORPORATION	314	37,083
H&R BLOCK MORTGAGE CORPORATION	339	36,553
GMAC MORTGAGE LLC	342	36,094
LENDER LTD.	254	34,875
ABN AMRO MORTGAGE GROUP, INC.	346	34,808
PARAMOUNT BANK	98	34,807
CAPITAL ONE HOME LOANS, LLC	470	33,778
TCF NATIONAL BANK	332	31,952
INDEPENDENT MTG CO WEST MI	277	31,525
AAMES FUNDING CORPORATION	325	31,044
INDEPENDENT MTG CO CENTRAL MI	289	30,907
GTL INVESTMENTS INC	280	30,463
NPB MORTGAGE LLC	448	29,968
CALUSA INVESTMENTS, L.L.C.	273	29,320
MAC-CLAIR MORTGAGE CORPORATION	318	27,965
NUUNION CREDIT UNION	331	27,837
FIRST NATIONAL BANK OF AMERICA	693	27,541
SAXON MORTGAGE	243	27,376
PEOPLES STATE BANK	206	27,216
AIG FEDERAL SAVINGS BANK	205	27,081
ENCORE CREDIT CORP	216	26,508
HOME LOAN CENTER, INC	366	26,372
BERGIN FINANCIAL INC	183	25,965
AMERA MORTGAGE CORPORATION	252	25,916
INDEPENDENT MTG CO EAST MI	161	25,890
CITIZENS BANK	453	25,353
LENDERS DIRECT CAPITAL CORP	207	24,540
INDEPENDENT MTG CO SOUTH MI	202	24,135
FIRST PLACE BANK	165	23,894
ROSS MORTGAGE CORPORATION	217	23,807
SOLSTICE CAPITAL GROUP INC	190	23,242

CAPITAL MORTGAGE FUNDING, LLC	220	23,135
PHH MORTGAGE CORPORATION	246	22,055
BANK OF AMERICA, N.A.	209	21,810
KEYBANK NATIONAL ASSOCIATION	604	20,856
SALLIE MAE HOME LOANS	256	19,967
TOWNE MORTGAGE COMPANY	218	19,389
CTX MORTGAGE COMPANY, LLC	224	19,206
IMPAC FUNDING CORP	138	18,984
MAIN STREET BANK	210	17,916
CREDIT SUISSE FINANCIAL CORP	195	17,430
AMERITRUST MORTGAGE COMPANY LL	124	16,962
IRWIN HOME EQUITY CORP	180	16,404
CITIZENS FIRST MORTGAGE LLC	92	16,042
MLA, INC.	282	15,739
ORIGEN FINANCIAL	470	15,658
D & R MORTGAGE CORP	118	15,157
HSBC MORTGAGE SERVICES, INC.	106	14,663
LASALLE BANK MIDWEST, NA	404	14,395
CHALLENGE FINANCIAL INVESTORS	120	14,316
AEGIS LENDING CORPORATION	149	13,821
PROVIDENCE MORTGAGE COMPANY	152	13,572
HEARTWELL MORTGAGE CORPORATION	154	13,023
CHEMICAL BANK	273	12,775
FIRST RESIDENTIAL MORTGAGE	95	12,465
AMERICAN MORTGAGE	128	11,666
OXFORD BANK MORTGAGE SERVICES,	83	11,548
FLEXPOINT FUNDING CORPORATION	90	11,264
BANKUNITED, FSB	73	11,245
M&T MORTGAGE CORPORATION	92	11,076
GMAC BANK	146	11,032
GREENSTONE FARM CREDIT SVCS	75	10,926
FIRST BANK	122	10,784
HOME LOAN CORPORATION	103	10,665
LENDSOURCE, INC.	87	10,504
FREEDOM MORTGAGE CORP.	92	10,125
FIFTH THIRD BANK MICHIGAN	209	10,010
SENDERRA FUNDING, LLC	74	9,925
MORTGAGE CENTER LC	97	9,797
LOANCITY	79	9,768
ADVANCED FINANCIAL SERVICES IN	194	9,749
E-LOAN INC	168	9,738
LAKE MICHIGAN CREDIT UNION	85	9,440
MEMBER FIRST MORTGAGE, LLC	73	9,410
CITIBANK, N.A.	267	9,265
AMERIFIRST FINANCIAL CORPORATI	111	9,132
ENTRUST MORTGAGE, INC.	71	9,052
MANDALAY MORTGAGE LLC	80	9,000
GE MONEY BANK	344	8,908
MONARCH COMMUNITY BANK	113	8,699
COMMUNITY FIRST BANK	72	8,302
21ST MORTGAGE CORPORATION	331	8,089
AMC MORTGAGE SERVICES, INC.	53	7,883

HSBC MORTGAGE CORPORATION	81	7,858
NETBANK FUNDING SERVICES	55	7,819
FIRST GREENSBORO HOME EQUITY	56	7,722
UNIVERSAL MORTGAGE CORPORATION	67	7,612
STERLING NATIONAL MORTGAGE CO.	60	7,550
CAMBRIDGE MORTGAGE CORPORATION	75	7,350
FIRST INDIANA BANK	76	7,143
CHARTER ONE BANK	75	7,087
INDEPENDENT BANK	237	7,078
HARBOURTON MORTGAGE INV CORP	52	6,677
SUMMIT MORTGAGE	119	6,470
NEW DAY FINANCIAL LLC	33	6,384
BANK OF MARINGOUIN	33	6,311
KELLNER MORTGAGE INVESTMENTS	63	6,303
OCEAN BANK FSB	107	6,263
FIRST SOLUTION LENDING, INC.	63	6,257
OMEGA MORTGAGE CORP.	37	6,241
CU FACTORY BUILT LENDING, LP	155	6,231
HOMEFIELD FINANCIAL, INC.	43	6,229
CASTLE POINT MORTGAGE, INC.	74	6,171
MASTER FINANCIAL, INC.	54	6,143
MILLENNIA MORTGAGE CORPORATION	106	6,102
CITIZENS FIRST SAVINGS BANK	180	6,064
PROPERTYMORTGAGE.COM	27	6,002
PARAGON HOME LENDING, LLC	69	5,951
MORTGAGETREE LENDING	51	5,866
OCWEN LOAN SERVICING LLC	67	5,856
DEARBORN FEDERAL SAVINGS BANK	14	5,761
COMUNITY LENDING INCORPORATED	54	5,675
COLONIAL SAVINGS, F.A.	46	5,652
DB HOME LENDING LLC	39	5,599
SMB MORTGAGE COMPANY	75	5,571
PINNACLE FINANCIAL	59	5,431
FRANKLIN BANK SSB	43	5,343
NATIONWIDE LENDING CORPORATION	65	5,156
FIRST STREET FINANCIAL, INC.	22	5,014
CCO MORTGAGE	53	4,975
US BANK, N.A.	48	4,952
FIRST GUARANTY MORTGAGE CORP	72	4,823
UNITED BANK MORTGAGE CORPORATI	49	4,773
SKY BANK	58	4,741
HOMETOWN MORTGAGE SERVICES	35	4,483
STATE FARM BANK	58	4,461
SRC MORTGAGE	48	4,427
FIRST NATIONAL BANK	50	4,393
RESIDENTIAL LOAN CENTERS	45	4,245
NEW STATE MORTGAGE COMPANY LLC	29	4,219
CENTRAL PACIFIC MORTGAGE	32	4,216
CORINTHIAN MORTGAGE CORP	62	4,068
MICHIGAN MUTAUL, INC. D/B/A FI	45	4,006
COMERICA BANK	84	3,987
BEST RATE FUNDING CORP	32	3,966



OPTEUM FINANCIAL SVCS LLC	37	3,918
XPULTE MORTGAGE LLC	50	3,887
MARLIN MORTGAGE COMPANY, LLC	34	3,831
MORTGAGE PLUS OF AMERICA CORPO	39	3,768
MACATAWA BANK MORTGAGE COMPANY	29	3,754
1ST MARINER BANK	23	3,661
WESTAMERICA MORTGAGE CORP	57	3,654
INDEPENDENT BANK WEST MI	144	3,598
THE STEPHENSON NAT'L BANK & TR	44	3,544
METROCITIES MORTGAGE LLC	42	3,537
DFCU FINANCIAL FEDERAL CU	21	3,459
PRIME LENDING	26	3,400
CENTENNIAL MORTGAGE & FUNDING	47	3,395
COMMUNITY CENTRAL BANK	26	3,361
STONECREEK FUNDING CORPORATION	50	3,328
THE BANK OF HOLLAND	17	3,326
BANCO POPULAR NORTH AMERICA	38	3,268
TEXAS CAPITAL BANK	39	3,261
WARREN BANK	28	3,200
CMG MORTGAGE, INC.	36	3,188
FIFTH THIRD MORTGAGE COMPANY	15	3,091
THE MORTGAGE STORE FINANCIAL	33	3,079
UNITED MORTGAGE COMPANY	24	3,030
WELLS FARGO FIN'L MICHIGAN	48	3,011
MAINSTREET SAVINGS BANK, FSB	27	2,916
NATIONAL MORTGAGE NETWORK, INC	21	2,830
HOME ADVANTAGE FUNDING GRP INC	19	2,807
CNB LENDING SERVICES, LLC	42	2,794
HOME CAPITAL, INC.	24	2,770
FRANKENMUTH CREDIT UNION	42	2,659
PREMIUM CAPITAL FUNDING	22	2,647
BEAR STEARNS RESIDENTIAL MORTG	26	2,630
OSB COMMUNITY BANK	22	2,629
LYDIAN PRIVATE BANK	6	2,620
SSB MORTGAGE COMPANY	63	2,614
EMIGRANT MORTGAGE COMPANY, INC	31	2,611
COLORADO FEDERAL SAVINGS BANK	28	2,521
AMERICAN GENERAL FIN.SERV.(DE)	29	2,520
EVERBANK	18	2,494
1ST ADVANTAGE MORTGAGE LLC	20	2,484
LAFCU	57	2,481
WACHOVIA MORTGAGE	16	2,414
CONSUMERS CREDIT UNION	58	2,406
ZIONS FIRST NATIONAL BANK	1	2,405
AMERICAN HOME LOANS	28	2,393
GB HOME EQUITY, LLC	54	2,392
RIVER VALLEY STATE BANK	29	2,392
MADISON EQUITY CORPORATION	11	2,387
ALLIED HOME MORTGAGE CORP.	21	2,386
SEAWAY COMMUNITY BANK	22	2,384
EASTERN SAVINGS BANK	16	2,370
OXFORD BANK & TRUST	62	2,353

QUICK LOAN FUNDING INC	15	2,346
NOVASTAR HOME MORTGAGE, INC.	19	2,320
SUNSET DIRECT LENDING	21	2,299
PINNACLE DIRECT FUNDING CORPOR	18	2,295
AMERICAN STERLING BANK	13	2,201
UNITED FINANCIAL MORTGAGE CORP	15	2,145
WELLS FARGO FUNDING, INC	18	2,143
BYRON BANK	22	2,125
HOME EQUITY OF AMERICA	36	2,116
UNION BANK MORTGAGE COMPANY	23	2,115
UNITED BANK OF MICHIGAN	14	2,063
WARREN BANK MORTGAGE COMPANY	13	2,025
CITIFINANCIAL SERVICES, INC.	30	2,002
VALLEY RIDGE MORTGAGE COMPANY	19	1,962
MARINERS CAPITAL, INC	10	1,956
OAK MORTGAGE, LLC	27	1,920
M&I MARSHALL & ILSLEY BANK	18	1,919
HEARTHSIDE HOME LOANS	19	1,904
MACKINAC SAVINGS BANK, FSB	46	1,898
SUNSET MORTGAGE COMPANY, L.P.	10	1,895
WAUSAU MORTGAGE CORPORATION	18	1,888
RESIDENTIAL FINANCE CORPORATIO	14	1,873
BSM FINANCIAL, L.P.	17	1,854
PARAGON MORTGAGE FUNDING, INC.	10	1,845
USAA FEDERAL SAVINGS BANK	26	1,843
COMMUNITY BANK MORTGAGE, INC.	9	1,821
REFINANCE.COM	7	1,817
TEAM ONE CREDIT UNION	50	1,795
ACE MORTGAGE FUNDING, LLC	18	1,784
STEWARD FINANCIAL, INC.	11	1,776
FIRST STATE BANK OF E. DETROIT	12	1,705
E&A CREDIT UNION	49	1,648
CHOICEONE MORTGAGE CO OF MI	13	1,641
GN MORTGAGE, LLC	30	1,633
GROUP ONE MORTGAGE CORPORATION	22	1,632
REALTY MORTGAGE	21	1,632
FENTURA MORTGAGE CORP	11	1,622
CHOICEONE BANK	36	1,620
INDEPENDENT BANK EAST MI	68	1,619
MIDWEST LOAN SERVICES, INC	14	1,577
G. W. JONES EXCHANGE BANK	25	1,550
SOVEREIGN BANK	13	1,535
FIRST NATIONAL BANK IN HOWELL	22	1,532
MACATAWA BANK	88	1,529
IRWIN MORTGAGE CORPORATION	19	1,521
PROGRESSIVE MORTGAGES, INC	10	1,493
UNION FEDERAL C/O SKY BANK	31	1,468
ACADEMY MORTGAGE CORP	20	1,455
FARMERS STATE BANK MORTGAGELLC	21	1,440
SUTTON BANK	13	1,435
U.S. FINANCIAL MORTGAGE CORP.	11	1,429
LAPEER COUNTY BANK & TRUST CO.	23	1,407

CLARKSTON STATE BANK	7	1,379
MACQUARIE MORTGAGES, USA	7	1,361
FSB MORTGAGE COMPANY	15	1,350
WORLD SAVINGS BANK, FSB	8	1,347
AMTEC FUNDING GROUP LLC	4	1,344
ANN ARBOR COMMERCE BANK	8	1,311
HOMESTEAD SAVINGS BANK	27	1,255
UNITED FINANCIAL CREDIT UNION	20	1,244
PHH HOME LOANS	6	1,228
SUPERIOR MORTGAGE CORP	8	1,226
MMS MORTGAGE SERVICES, LTD	14	1,207
AMERICAN EQUITY MORTGAGE	12	1,196
PROGRESSIVE MORTGAGE COMPANY	13	1,195
FRANKLIN FIRST FINANCIAL	6	1,181
VALLEY RIDGE BANK	41	1,179
PORTLAND FEDERAL CU	33	1,173
FOUNDERS MORTGAGE COMPANY LLC	9	1,165
HOME CONSULTANTS INC	10	1,156
MBNA AMERICA DELAWARE, N.A.	19	1,151
TELCOM CREDIT UNION	22	1,147
AMERIFUND MORTGAGE LLC	11	1,136
STERLING BANK & TRUST, FSB	7	1,131
TRUSTCORP MORTGAGE COMPANY	11	1,124
DOMESTIC BANK	44	1,105
1ST SOURCE BANK	16	1,094
UNIVERSITY BANK	9	1,089
GATEWAY FUNDING DMS, L.P.	7	1,025
WANIGAS FEDERAL CREDIT UNION	12	1,024
COMMUNITY STATE BANK OF ST. CH	25	1,007
MIDWEST FINANCIAL CREDIT UNION	7	1,005
NATIONWIDE ADVANTAGE MORTGAGE	12	1,005
SUMMIT MORTGAGE CORPORATION	9	1,004
MIDCOUNTRY BANK	3	1,001
GREEN TREE SERVICING	24	998
SIGNATURE BANK	11	998
UNIMORTGAGE LLC	7	978
MORTGAGE NETWORK, INC.	14	972
UNIVERSAL SAVINGS BANK, FA	7	969
CREDIT UNION ONE	8	960
STEARNS LENDING, INC.	19	945
ARK-LA-TEX FINANCIAL SERVICES	15	930
MILLENNIUM HYLAND MORTGAGE LLC	10	920
UBS AG, NEW YORK BRANCH	2	914
HORIZON BANK, N.A.	17	903
FRANKLIN AMERICAN MORTGAGE CO	11	886
CAPITOL NATIONAL BANK	15	876
MICHIGAN FIRST CREDIT UNION	40	868
NCB, FSB	18	867
GREENLIGHT FINANCIAL SERVICES	18	862
GUIDANCE RESIDENTIAL, LLC	5	862
FIRST STATE BANK	16	855
CONCORD MORTGAGE COMPANY	11	851

TCB MORTGAGE LLC	14	851
A & N MORTGAGE SERVICES, INC.	2	845
HASTINGS CITY BANK	16	843
WINSTAR MORTGAGE PARTNERS, INC	9	822
LSI MORTGAGE-PLUS	7	821
RESIDENTIAL ACCEPTANCE NETWORK	4	804
PLANTERS BANK & TRUST COMPANY	1	800
COMMUNITY FINANCIAL MEMBERS FC	21	799
CREDIT UNION PLUS	13	790
WEBSTER BANK, N.A.	7	790
CENTIER BANK	17	778
ALL FUND MORTGAGE	8	774
FIRST NATIONAL BANK AND TRUST	7	762
DOLLAR MORTGAGE CORPORATION	5	750
THE NEW YORK MORTGAGE COMPANY	10	749
NEW BUFFALO SAVINGS BANK	4	741
UNITED CAPITAL MORTGAGE	5	727
PLAZA HOME MORTGAGE INC	10	723
ACT LENDING CORPORATION	7	707
FIRST INDEPENDENCE BANK	6	701
GUARDIAN LOAN COMPANY	5	687
MIDAMERICA BANK, FSB	2	683
MONROE BANK & TRUST	21	678
UNITED MORTGAGE COMPANY-WASHTE	5	676
AMERISAVE MORTGAGE CORPORATION	8	675
MORTGAGE CORPORATION OF AMERIC	5	652
FIRSTBANK-ALMA MTG CO	12	649
PARAGON BANK & TRUST	10	648
UNITED BANK & TRUST	19	634
ASSOCIATED BANK, N.A.	10	633
BANKERS' BANK	14	632
PROVIDENT FUNDING ASSOCIATES	13	632
SHELTER MORTGAGE COMPANY, LLC	10	632
IRWIN UNION BANK	8	623
ALLIANCE BANCORP	7	622
NICOLET NATIONAL BANK	11	622
LAKE SIDE COMMUNITY BANK	4	619
EVERETT FINANCIAL INC.	7	617
U OF M CREDIT UNION	5	617
PRIMARY CAPITAL ADVISORS LC	3	616
IMG REAL ESTATE & FINANCIAL	10	616
UNITED MEDICAL BANK	3	611
WEBTREELOAN.COM, INC.	7	605
AMERICAN HOME EQUITY CORPORATI	9	602
CORNERSTONE MORTGAGE COMPANY	4	588
AMERICAN UNIFIED MORTGAGE, INC	4	578
GRAND HAVEN BANK	6	578
FIRST AMERICAN MORTGAGE TRUST	6	577
EXCHANGE FINANCIAL CORPORATION	5	571
BROOKSAMERICA MORTGAGE CORPORA	2	564
DETROIT COMMERCE BANK	3	564
AMERICAN MORTGAGE CORPORATION	9	557

KALSEE CREDIT UNION	5	545
ADVANCE MORTGAGE CORPORATION	4	518
AMERIFIRST	6	510
EHOME CREDIT CORP	4	508
FIRSTBANK-ST JOHNS MTG CO	6	507
OPTIMA MORTGAGE	4	504
EQUITY 1 LENDERS GROUP	7	503
RESOURCE BANK	5	500
CARDINAL FINANCIAL COMPANY	6	493
STURGIS BANK AND TRUST COMPANY	30	492
FARMERS STATE BANK	5	486
FIRST STATE BANK OF MIDDLEBURY	3	486
NATIONAL BANK OF ARKANSAS	5	486
DORT FEDERAL CREDIT UNION	16	480
BAYROCK MORTGAGE CORPORATION	4	462
REAL ESTATE MORTGAGE NETWORK	2	461
GATEWAY BUSINESS BANK	3	457
MOUNTAIN STATES MORTGAGE	3	452
AUSTIN MORTGAGE COMPANY, LLC	8	442
PRIME MORTGAGE FINANCIAL	4	442
FIRST GUARANTY FINANCIAL CORP	3	438
SSBB MORTGAGE, LLC	6	438
IONIA COUNTY NATIONAL BANK	13	435
BRAVO CREDIT CORPORATION	2	423
FARMERS STATE BANK OF MUNITH	9	423
WESTERN FINANCIAL LLC	3	420
INDEPENDENT BANK SOUTH MI	19	418
BAYTREE LENDING COMPANY	4	416
IB&T MORTGAGE COMPANY	6	402
MERRILL LYNCH CREDIT CORP.	2	397
POPE MORTGAGE AND ASSOCIATES	5	392
HOMELoanADVISORS.COM	2	390
THUMB NATIONAL MORTGAGE LLC	7	389
BIRMINGHAM BANCORP MORTGAGE CO	4	384
MUSKEGON COMMERCE BANK	5	381
FINANCIAL HEALTH CREDIT UNION	10	376
BANK OF ANN ARBOR	5	368
NETWORK FUNDING, L.P.	2	363
MARKET STREET MORTGAGE CORP	3	353
HOMETOWN COMMUNITY CREDIT UNIO	4	343
OMNI COMMUNITY CREDIT UNION	14	340
HOWARD HANNA MORTGAGE SERVICES	1	338
EVERHOME MORTGAGE COMPANY	3	329
SSBBANK	7	328
FIRST UNITED BANK	8	325
CHICAGO BANCORP, INC.	2	316
GUARDIAN MORTGAGE COMPANY, INC	4	315
1ST STATE BANK	4	314
CSMC, INC. DBA CENTRAL STATES	6	312
AMERICAN MORTGAGE SPECIALISTS	5	310
COMMUNITY SHORES MORTGAGE COMP	5	304
CAPITAL COMMUNITY CREDIT UNION	6	301

BANCO POPULAR NATIONAL ASSOC	1	290
KEYSTONE MTG SERVICES, LLC	3	290
EDGEWATER BANK	4	286
BELL COM CREDIT UNION	4	282
HOMEOWNERS LOAN CORPORATION	3	282
GROUP ONE MORTGAGE, INC.	2	281
LUFTHANSA FEDERAL CREDIT UNION	1	280
BRIGHTON COMMERCE BANK	2	275
VANDYK MORTGAGE CORPORATION	3	269
MILLENNIUM HOME LOANS	2	265
FIRST RATE CAPITAL CORP.	2	259
UNION SAVINGS BANK	1	251
COLUMBIA HOME LOANS, LLC	2	242
LOAN LINK FINANCIAL SERVICES	2	241
CORNERSTONE COMMUNITY FINANCIA	7	240
LIBERTY SAVINGS BANK, FSB	1	240
SECURITY FEDERAL CREDIT UNION	12	237
COMMUNITY LIFE MORTGAGE, LLC	1	236
CITIZENS CREDIT UNION	10	234
POPULAR HOUSING SERVICES	4	232
HOMESTEAD FUNDING CORP	3	231
THE MONTROSE STATE BANK	4	231
TEACHERS CREDIT UNION	2	228
WEST MICHIGAN MORTGAGE	2	225
NORTH AMERICAN SAVINGS BANK	2	221
PARAGON FINANCIAL MORTGAGE	2	220
UNITED MIDWEST SAVINGS BANK	3	219
FAMILY FINANCIAL CREDIT UNION	10	217
PRIMARY RESIDENTIAL MORTGAGE	4	215
COMMUNITY SHORES BANK	11	214
AMTRUST MORTGAGE CORPORATION	1	213
THE F&M STATE BANK	2	211
CREVECOR MORTGAGE INC	3	210
EASTERN MICHIGAN BANK	5	208
ROYAL CROWN BANCORP	4	208
DYNAMIC CAPITAL MORTGAGE, INC	2	207
THE LENDING CONNECTION, INC	3	205
COMPASS MORTGAGE, INC.	1	203
GMFS,LLC	4	203
PLATINUM CAPITAL GROUP	2	192
BAYER FEDERAL CREDIT UNION	5	191
THUMB NATIONAL BANK & TRUST CO	16	190
PEOTONE BANK AND TRUST COMPANY	1	184
BANK MUTUAL	3	182
MIDFIRST BANK	4	181
MOBILITY HOME LOANS	2	172
IDEAL MORTGAGE BANKERS, LTD	2	171
FRANKLIN FINANCIAL	2	165
MICHIGAN SCHOOLS AND GOVERNMENT	2	163
THE HOME SAVINGS AND LOAN CO.	1	162
ST. JAMES MORTGAGE CORP.	3	161
MORTGAGE MASTER, INC.	1	160

SOUTHEAST OAKLAND COMMUNITY CR	2	160
LASALLE BANK NA	4	156
LIBERTY FINANCIAL GROUP	2	155
CITIZENS STATE BANK	4	154
MICHIGAN COLUMBUS FEDERAL CU	1	152
ONE SOURCE MORTGAGE, L.L.C.	4	151
BEACH FIRST NATIONAL BANK	1	145
FIRST INTERSTATE FINANCIAL COR	2	145
SOUTH CENTRAL BANK, N.A.	14	139
SHAMROCK FINANCIAL CORPORATION	2	137
WAYNE WESTLAND FEDERAL CU	1	136
HILLSDALE COUNTY NATIONAL BANK	10	134
THE BANK OF KENTUCKY INC	1	132
COMMUNITY FOCUS FEDERAL CU	3	128
PEOPLESBANK, A CODORUS VALLEY	1	126
AMERICAN HOME BANK FKA FLOWERBANK	1	125
FIRST AMERICAN MORTGAGE, INC.,	2	120
AMERICAN FINANCIAL FUNDING COR	1	117
CHRISTIAN FINANCIAL CU	4	117
FNAC N.A.	5	117
ALLSTATE HOME LOANS, INC.	1	116
EXCHANGE NATIONAL BANK	1	114
US MORTGAGE CORPORATION	2	113
HARBORSIDE FINANCIAL NETWORK	1	110
AUTOTRUCK FEDERAL CREDIT UNION	1	108
KELLOGG COMMUNITY FED C U	3	108
STANDARD BANK & TRUST COMPANY	1	108
UNTIED BAY COMMUNITY CU	2	108
MORTGAGE NOW, INC.	1	107
IFREEDOM DIRECT CORPORATION	1	106
SOUTHERN MICHIGAN BANK & TRUST	5	106
MERCANTILE BANK MTG CO LLC	1	104
MACOMB COMMUNITY BANK	1	102
UNITED COMMUNITY BANK	1	101
NFM, INC.	1	100
CFBANK	1	99
THE LATHROP BANK	1	98
U.S. FIRST CREDIT UNION	2	93
COMMUNITY BANK OAK PARK RIVER	1	88
ASTORIA FEDERAL MORTGAGE CORP.	1	84
CHELSEA STATE BANK	3	84
MLSG, INC.	2	82
PORTAGE COMMERCE BANK	2	78
FIRST SAVINGS BANK, A FSB	4	77
PLATINUM COMMUNITY BANK	1	77
MONROE COUNTY COMMUNITY C.U.	3	76
FIRST CONSOLIDATED MORTGAGE CO	1	74
METLIFE BANK, N.A.	1	70
FIRST FEDERAL BANK	1	69
FOUNDERS BANK & TRUST	3	66
CONSUMERS PROFESSIONAL CU	4	64
COMMUNITY BANK OF DEARBORN	1	62

SIERRA PACIFIC MORTGAGE	1	61
ADVANTAGE ONE FEDERAL CU	4	60
FALCON NATIONAL BANK	1	56
FLINT AREA SCHOOL EMPLOYEES CR	2	56
MOTOR CITY CO-OP CREDIT UNION	3	55
UNION FEDERAL SAVINGS BANK	1	55
FIRST CATHOLIC F C U	3	54
THE PESHTIGO NATIONAL BANK	2	53
FAMILY FIRST CREDIT UNION	3	52
UNITED FEDERAL CREDIT UNION	1	52
FAIRFIELD FINANCIAL MORTGAGE	1	50
FIRSTBANK-ALMA	2	50
METRO EQUITY FUNDING, LTD	1	50
THE DART BANK	3	48
SUMMIT COMMUNITY BANK	1	47
UT-MUO FEDERAL CREDIT UNION	1	45
ACCESS NATIONAL MORTGAGE CORP	2	41
AMERICAN 1 FCU	2	40
DISCOVER BANK	1	40
MSU FEDERAL CREDIT UNION	2	40
TIERONE BANK	1	40
BANKFIRST	1	39
PAVILION MORTGAGE COMPANY	1	38
GUILD MORTGAGE COMPANY	1	36
RIVER VALLEY CREDIT UNION	3	33
SHELBY STATE BANK	2	32
LENDIA INC	1	30
METRO CREDIT UNION	1	29
WEST MICHIGAN COMMUNITY BANK	1	27
COMMUNITY SCHOOLS CREDIT UNION	1	23
SIGNATURE MORTGAGE, LLC	1	22
TRI-POINT COM CREDIT UNION	1	21
CHIEF PONTIAC FEDERAL CREDIT.	1	20
ALLIANCE HOME FUNDING	1	19
COVANTAGE CREDIT UNION	2	17
THE STATE BANK	1	17
FINANCIALEDGE COMMUNITY CREDIT	1	16
JDC MORTGAGE COMPANY	1	14
BERRIEN TEACHERS CREDIT UNION	1	12
NFCU	1	10